

**OFFICE OF ATTORNEY GENERAL****INSURANCE FRAUD SECTION****TOM CORBETT • ATTORNEY GENERAL****NEWSLETTER**

## Chester County Businessman Charged In Identity Theft of Estranged Wife's Information



Everett Frank was arrested on November 6, 2008, in Chester County on multiple charges, including insurance fraud, identity theft, theft by deception and forgery.

According to the Criminal Complaint, Frank allegedly agreed to buy six vehicles worth more than \$183,000 from Sloane Toyota over a six-month period, but did not have sufficient credit to purchase them himself. Frank requested that he be allowed to take the paperwork home in order to have them signed by Michelle Frank. Everett Frank allegedly forged Michelle Frank's signature on various sales documents and provided the dealership with a copy of her driver's license without her permission. The Complaint further stated that Frank produced fraudulent insurance papers for the six vehicles that he purchased, allegedly altering the documents to make it appear that the vehicles were covered by a valid policy when none of the vehicles were actually insured. The vehicles were all purchased without the knowledge or consent of Michelle Frank, who learned about the purchases when she was contacted by a collection agency after several of the loans were reported delinquent.

Everett Frank has been charged with twelve counts of Insurance Fraud (F3), six counts of Identity Theft (F3), one count of Theft by Deception (F3) and one count of Forgery (F3).

## Schuylkill County Man Receives Jail Sentence For Workers' Compensation Insurance Fraud

On November 25, 2008, Edward Cihowski was sentenced in Schuylkill County to serve 10 to 23 months incarceration, 2 years consecutive probation and ordered to pay restitution of \$35,834.50 and all court costs after pleading guilty to one count of Workers' Compensation Insurance Fraud (F3).

Cihowski began working and receiving wages from K & W Trucking while also receiving workers' compensation lost wage benefits from the Guard Insurance Company. In addition to not reporting his new employment or wages to Guard, Cihowski returned three sets of LIBC forms on which he falsely stated that he was not employed and that his physical condition had not changed.





## Workers' Compensation Fraud

Alfredo Johnson was arrested on November 20, 2008, in Erie County.



According to the Criminal Complaint, Johnson was employed by Keston Power Wall, Inc., when he was injured while working. The Motorist Insurance Group extended workers' compensation coverage to Keston and began paying total disability benefits to Johnson in June 2007. The Complaint further stated that Johnson then became employed by Thornton Rental and Real Estate Company and worked there from August 2007 until October 2007, while he was also collecting benefits from Motorist. It is alleged that Johnson concealed his employment and income from Motorist by submitting documents indicating he was not employed.

Alfredo Johnson has been charged with two counts of Workers' Compensation Insurance Fraud (F3) and one count of Theft by Deception (F3).

William Reveron and Three Brothers Delivery Service were arrested on November 25, 2008, in Philadelphia County.

According to the Criminal Complaint, Reveron was the President and person responsible for obtaining and maintaining Workers' Compensation Insurance for his business, Three Brothers Delivery, Inc. During a period spanning several years, the business operated without the required insurance. During that time, an employee was injured and submitted a claim. The Complaint further stated that during the initial time period, Reveron was unaware of the necessity to carry workers' compensation insurance, but later, Reveron was made aware of his obligation by his insurance company. It is alleged that Reveron nonetheless continued to operate his business without the required insurance.

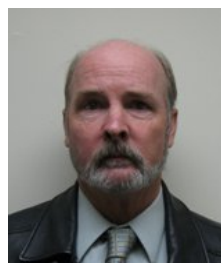
William Reveron and Three Brothers Delivery Service have been charged with 531 counts of Failure to Carry Workers' Compensation Insurance (F3) and 121 counts of Failure to Carry Workers' Compensation Insurance (M3).

Abraham Rosenberg and AMMA International were arrested on November 26, 2008, in Lackawanna County.

According to the Criminal Complaint, Abraham Rosenberg was the president and person responsible for obtaining and maintaining Workers' Compensation Insurance for his business, AMMA International (R & G Trucking). During a period spanning several years, the business operated without the required insurance, during which time two employees were injured. It is alleged that Rosenberg was notified by his insurance carrier of his obligation to carry the required insurance which he ignored.

Abraham Rosenberg and AMMA International have been charged with 1095 counts of Failure to Carry Workers' Compensation Insurance (F3) and 1095 counts of Failure to Carry Workers' Compensation Insurance (M3).

Keith McLane was arrested on November 24, 2008, in Schuylkill County.



According to the Criminal Complaint, McLane created a fraudulent Certificate of Insurance form which purportedly verified that he had secured workers' compensation insurance through the State Workers' Insurance Fund (SWIF) from January 15, 2006 through January 15, 2007. The Complaint further stated that McLane submitted the certificate to JWK Engineering, Inc., as proof of insurance coverage per their request before he was hired to do cable installation work.

Keith McLane has been charged with one count of Forgery (M1).

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## Additional Arrests

- On November 26, 2008, Lawrence Crane was arrested in Cambria County. According to the Criminal Complaint, Crane moved out of a rental property in 2005. In May 2007, the rental property was destroyed by fire. In May 2008, Crane allegedly executed an affidavit falsely stating that he resided in the rental structure until April 2007. The Complaint further stated that the Motorists Insurance Company would only cover the property under its policy if the rental property was occupied within sixty days of the fire. Crane alleges that the property owner offered him \$2,000 to execute the false affidavit. Lawrence Crane has been charged with two counts of Insurance Fraud (F3).

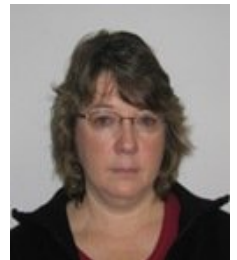
- Darlene Revers was arrested on November 26, 2008, in Westmoreland County. According to the Criminal Complaint, Revers filed an insurance claim with the Allstate Insurance Company claiming that kitchen cabinets, stain glass windows and numerous tools were taken from a barn located on her residence. In support of her claim, Revers provided a receipt from Greenawalt's Furniture as proof of purchase. It is alleged that the cabinets were not purchased from Greenawalt's and that the windows and tools were not stolen. Darlene Revers has been charged with two counts of Insurance Fraud (F3) and one count of Criminal Attempt/Theft by Deception (F3).



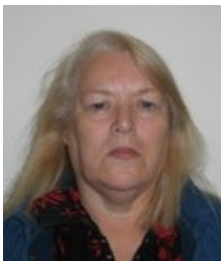
- On November 17, 2008, Darren Myer was arrested in Lancaster County. According to the Criminal Complaint, Myer reported to the Donegal Mutual Insurance Company that he injured his right arm when he pushed on the window of a friend's car to close the door and it broke. It is alleged, however, that Myer actually injured his arm when he punched a window at a private residence during an altercation. Darren Myer has been charged with one count of Insurance Fraud (F3) and one count of Criminal Attempt/Theft by Deception (F3).

- Krishna Kandel was arrested in Westmoreland County on November 26, 2008. According to the Criminal Complaint, Kandel contacted the Progressive Insurance Company at 8:08 a.m., on January 25, 2008, to add rental reimbursement, comprehensive and collision with a \$500 deductible. Later the same day Kandel reported to Progressive that he was involved in a motor vehicle accident at approximately 8:50 a.m. It is alleged that the accident occurred prior to Kandel obtaining the additional coverage and that Kandel misrepresented the time of the accident in an attempt to obtain additional coverage for his vehicle. Krishna Kandel has been charged with one count of Insurance Fraud (F3) and one count of Criminal Attempt/Theft by Deception (F3).

- On November 3, 2008, Dr. Samuel Young and Michele Young were arrested in Bucks County. According to the Criminal Complaint, Dr. Young, an optometrist, has a contract with the Law Enforcement Health Benefits Vision Plan (LEHB) for the City of Philadelphia Police Officers. The LEHB vision plan allows a complete vision exam once a year for its members. Independence Blue Cross (IBC) provides medical coverage to the police officers and their dependents. Michele Young is Samuel's wife and the billing manager. The Complaint stated that from April 2006 to August 2007, the Youngs submitted in excess of 51 claims to LEHB for providing annual eye exams and then subsequently submitted claims to IBC for the same exams. The Complaint further stated that the forms submitted to IBC contained a fraudulent date of service, usually a few days after the date submitted to LEHB. It is alleged that the Youngs received \$2,958 for the duplicate claims submitted to Independence Blue Cross. Samuel and Michele Young have been charged with one count of Insurance Fraud (F3) and one count of Conspiracy/Theft by Deception (F3).



- Joann Waldron was arrested in Bucks County on November 13, 2008. According to the Criminal Complaint, Waldron assumed her deceased sister's identity and continued to renew her driver's license as Waldron's license was suspended. Waldron also used her deceased sister's identity to obtain an automobile insurance policy with the Esurance Insurance Company. The Complaint further stated that Waldron was involved in an accident and identified herself to law enforcement authorities and submitted a claim to Esurance using her deceased sister's identity. Joann Waldron has been charged with one count of Theft by Deception (F3), two counts of Insurance Fraud (F3 & M1), one count of Identity Theft (F3), one



count of Criminal Attempt/Theft by Deception (M1), one count of Unsworn Falsification to Authorities (M2), one count of Tampering with Public Records (M2) and one

Enforcement (M3).

- On November 24, 2008, Vera Pope was arrested in Philadelphia County. According to the Criminal Complaint, Pope took out a life insurance policy with the Transamerica Corporation on her husband's life in November 2005. In May 2007, Pope filed a claim stating her husband had died and provided a death certificate in support of the claim. It is alleged that Pope fraudulently altered the death certificate in an attempt to collect on the policy. Vera Pope has been charged with one count of Insurance Fraud (F3), one count of Criminal Attempt/Theft by Deception (F3) and one count of Forgery (F3).
- Frank Ross was arrested on November 24, 2008, in Fayette County. According to the Criminal Complaint, Ross reported the theft of his employer's 1987 Mercedes from his residence. Ross' employer filed a claim with the Cincinnati Insurance Company and received approximately \$8,000. It is alleged that Ross burned the vehicle at his employer's request but only received a portion of the money promised him. Frank Ross has been charged with one count of Arson (F2), one

count of Conspiracy/Arson (F2), two counts of Insurance Fraud (F3), one count of Theft by Deception (F3) and one count of False Reports to Law Enforcement (M3).

- On November 26, 2008, Dana Adams was arrested in Chester County. According to the Criminal Complaint, Adams, a resident of New Jersey, received a traffic citation for DUI and her New Jersey license, which was issued under her married name of Schwartz, was scheduled to be suspended. Prior to the suspension, Schwartz obtained a PA license, title and registration using her maiden name of Adams. The Complaint further stated Adams falsely reported to PennDOT that she resided in Berwyn, PA, and garaged her vehicle there and falsely denied that her license was going to be suspended in another jurisdiction. It is alleged that Adams fraudulently misrepresented her NJ license status and residence to PennDOT. Dana Adams has been charged with two counts of Insurance Fraud (F3 & M1), one count of Tampering with Public Records or Information (F3), one count of False Swearing (M2), one count of Unsworn Falsification to Authorities (M2) and one count of False Application for Certificate of Title or Registration (M1).



- Randall Peters plead guilty to one count of Insurance Fraud (F3), one count of Medicaid Fraud (F3), eighteen counts of Act 64 Drug Violations (F), five counts of Theft by Deception (F3), two counts of Criminal Conspiracy (F3), one count of Forgery (F3) and one count of Criminal Attempt/Act 64 Drug Violations (F) in Allegheny County. Peters, one of nine individuals involved in a fraudulent prescription scam, allowed his insurance information to be used to fraudulently obtain Oxycontin and he passed fraudulent prescriptions to obtain the drugs. In excess of \$62,000 was billed to Highmark, Department of Public Welfare, Caremark, Paid Prescriptions, Express Script and Merc Medco. On November 13, 2008, Peters was sentenced to serve 2 to 4 years incarceration and ordered to pay restitution of \$62,853.92 joint and several



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and all court costs.

- On November 21, 2008, Richard Way plead guilty to one count of Insurance Fraud (F3) in Blair County. Way fraudulently reported the theft of his Mustang with after-market equipment to the police and the State Farm Insurance Company. Way used his friend's pick-up truck to push the car over a cliff after he removed the after-market equipment which he later advertised on eBay. Way was sentenced to serve 4 years probation, ordered to perform 50 hours of community service and to pay a fine of \$1,000 and all court costs.
- Holly Thompson plead guilty to one count of Insurance Fraud (F3) in Beaver County. Thompson fraudulently collected \$11,500 in lost wage benefits from the State Farm Insurance Company while she was employed at a used car lot. On November 17, 2008, Thompson was sentenced to serve 3 years probation, ordered to perform 100 hours of community service and to pay a fine of \$100, restitution of \$11,500 and all court costs.
- On November 13, 2008, Lane Davis plead guilty to one count of Workers' Compensation Insurance Fraud (F3) in Allegheny County. Davis continued to cash her father's workers' compensation benefit checks from the State Workers' Insurance Fund following his death in January 2004, and reported to the State that his physical condition had not changed. Davis was sentenced to serve 3 years probation, including 3 months of house arrest with electronic monitoring, ordered to perform 50 hours of community service and to pay restitution of \$34,422.40 and all court costs.
- Frank Vatter plead guilty to one count of Insurance Fraud (M1) in Allegheny County. Vatter fraudulently collected wage loss benefits from the State Farm Insurance Company while he continued to work and earned \$19,000 in wages. On November 3, 2008, Vatter was sentenced to serve 2 years probation, ordered to perform 50 hours of community service and to pay a fine of \$500 and all court costs.

- Judith Yurkin plead guilty to one count of Workers' Compensation Insurance Fraud (F3) in Luzerne County. Yurkin submitted fraudulent LIBC forms which falsely verified the continuing eligibility of her deceased husband to receive workers' compensation disability benefit payments from the State Workers' Insurance Fund (SWIF) and forged his signature on the forms. On November 3, 2008, Yurkin was sentenced to serve 2 years probation and ordered to pay restitution of \$15,160.24 within thirty days and all court costs. Yurkin was also ordered to make a contribution of \$1,000 to the Commission on Economic Opportunity Christmas Fund in lieu of performing 50 hours of community service.
- On November 18, 2008, William Huber plead guilty to one count of Criminal Attempt/Theft by Deception (M1) in Fulton County. Huber fraudulently misrepresented the date of an accident he reported to the Progressive Insurance Company. Huber attempted to collect \$6,000 in damages by falsely reporting the accident occurred after he reinstated his insurance. Huber was sentenced to serve 1 year probation, ordered to perform 15 hours of community service and to pay a fine of \$100 and all court costs.
- Joseph Lalumera, Jr., plead guilty to one count of Insurance Fraud (M1) in Philadelphia County. Lalumera was a "runner" for an attorney who paid him \$600 to \$800 for each person he brought to his office that was involved in an accident. Lalumera would pay each person \$125 to go to the attorney's office to sign paperwork for the attorney to represent them and file claims on their behalf. On November 6, 2008, Lalumera was sentenced to serve 1 year probation and ordered to pay all court costs.

### (ARD) DISPOSITIONS

During the month of November, four additional defendants received Accelerated Rehabilitative Disposition (ARD). Defendants who receive ARD are typically sentenced to serve 2 years probation and ordered to perform 50 hours of community service. In addition, they are ordered to pay full restitution, all ARD costs and all court costs.